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Security Council Committee established pursuant to resolution 1737 (2006)

Letter dated 23 May 2007 from the Permanent Representative of Canada to the United Nations addressed to the Chairman of the Committee

As requested in paragraph 8 of Security Council resolution 1747, I am pleased to submit Canada's report on the implementation of measures decided by resolution 1747 (see annex).

(*Signed*) John **McNee**
Ambassador
Permanent Representative

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Annex to the letter dated 23 May 2007 from the Permanent Representative of Canada to the United Nations addressed to the Chairman of the Committee

Paragraph 8 of Security Council Resolution 1747 (2007) of 24 March 2007 (the Resolution) calls upon all Member States to report to the 1737 Committee, within sixty days of the date of adoption of the Resolution, on the steps taken with a view to implementing effectively the Resolution.

Canada wishes to inform the Committee that it is effectively implementing all measures mandated by the Resolution through the application of the *Regulations Implementing the United Nations Resolution on Iran* (the Iran Regulations) (SOR/2007/44) and the *Regulations Amending the Regulations Implementing the United Nations Resolution on Iran* (the Amendments to the Iran Regulations) (SOR/2007/105) made under the *United Nations Act*, as well as the *Export and Import Permits Act* as follows:

Paragraph 2:

[...] decides in this regard that all States shall notify the Committee established pursuant to paragraph 18 of resolution 1737 (2006) (herein "the Committee") of the entry into or transit through their territories of the persons designated in the Annex to resolution 1737 (2006) or Annex I to this resolution, as well as of additional persons designated by the Security Council or the Committee as being engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or for the development of nuclear weapon delivery systems, including through the involvement in procurement of the prohibited items, goods, equipment, materials and technology specified by and under the measures in paragraphs 3 and 4 of resolution 1737 (2006), except where such travel is for activities directly related to the items in subparagraphs 3 (b) (i) and (ii) of that resolution.

Sections 13 and 14 of the Iran Regulations authorize disclosure to the 1737 Committee of the entry into, or transit through, Canada of the persons designated in the Annex to Resolution 1737 and any other persons designated by the Security Council or the 1737 Committee, including those designated in Annex I to Resolution 1747.

It should be noted, however, that the Annex to Resolution 1737 as well as Annex I to Resolution 1747 provide minimal information regarding the designated individuals. As a result, identification of these individuals will be more difficult.

Paragraph 4:

Decides that the measures specified in paragraphs 12, 13, 14 and 15 of resolution 1737 (2006) shall apply also to the persons and entities listed in Annex I to this resolution;

As stated in Canada's report to the 1737 Committee on the implementation on Resolution 1737 (2006), paragraph 12 of Resolution 1737 is implemented in Canada pursuant to section 9 of the Iran Regulations which prohibits all persons in Canada and all Canadians outside Canada from:

(*a*) dealing directly or indirectly in any property in Canada as at December 23, 2006 or at any time after that date, that is owned or controlled by a designated person, by a person acting on behalf of, or at the direction of, a designated person, or by a person owned or controlled by a designated person;

(*b*) entering into or facilitating financial transaction related to dealings referred to in paragraph (a) above;

(*c*) providing financial or related services in respect of the property referred to in paragraph (a) above; or

(*d*) making any property or any financial or other related service available, directly or indirectly, to or for the benefit of a designated person.

The definition of "designated person" in the Iran Regulations is dynamic and captures all individuals and entities designated in the Annex to Resolution 1737, as well as any other individual or entity otherwise designated by the Security Council or the 1737 Committee as being engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or the development of nuclear weapon delivery systems. This definition therefore includes all designations in Annex 1 to Resolution 1747.

In accordance with paragraphs 13 and 15 of the Resolution, sections 17, 18 and 19 of the Iran Regulations also allow for exemptions to the assets freeze.

In addition, pursuant to section 10 of the Iran Regulations, all persons in Canada and all Canadians abroad are prohibited from doing anything that causes, assists or promotes, or is intended to cause, assist or promote, any act or thing prohibited by section 9.

It should be noted, however, that the Annex to Resolution 1737 provides minimal information regarding the designated individuals and entities. As a result, identification of these individuals and entities will be more difficult.

Paragraph 5:

Decides that Iran shall not supply, sell or transfer directly or indirectly from its territory or by its nationals or using its flag vessels or aircraft any arms or related materiel, and that all States shall prohibit the procurement of such items from Iran by their nationals, or using their flag vessels or aircraft, and whether or not originating in the territory of Iran;

Section 3 of the Amendments to the Iran Regulations amended sections 7 and 8 of the Iran Regulations to also cover arms and related material.

Pursuant to section 7 of Iran Regulations as amended, all Canadians and all persons and entities in Canada are prohibited from procuring arms and related material from any person in Iran or any person acting on behalf of, at the direction of, or for the benefit of, Iran. Also, pursuant to section 8 of the Iran Regulations as amended, owners or masters of Canadian ships and operators of aircrafts registered in Canada may not carry, cause to be carried or permit to be carried any of those goods.

In addition, pursuant to section 10 of the Iran Regulations, all persons in Canada and all Canadians abroad are prohibited from doing anything that causes, assists or promotes, or is intended to cause, assist or promote, any act or thing prohibited by sections 7 and 8.

Moreover, some of goods that fall within the category of arms and related material are subject to import controls under the Import Control List under the *Export and Imports Permits Act*.

Ottawa, May 23, 2007